

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:2954
ANSWERED ON:02.08.2002
TRADE BETWEEN INDIA AND SRI LANKA
P.C. THOMAS

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether imports and exports between India and Sri Lanka is taking better shape;
- (b) if so, the details of imports and exports made during each of the last three years; and
- (c) the further steps being taken to improve the trade between the two countries?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) & (b) : Figures of India`s trade with Sri Lanka for the last three years are given below :-

(Rs. Crores)

Year	Exports to Sri Lanka	Imports from Sri Lanka
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1999-2000	2163.05	191.67
2000-2001	2896.39	211.72
2001-2002	3000.98	321.50

(c) : A Free Trade Agreement was signed between India and Sri Lanka on December 28, 1998. Under this Agreement both countries are committed to the elimination of tariffs in a phased manner. The Agreement came into force in March 2000 and its working was reviewed recently. Other steps taken to improve the trade between the two countries include participation in trade fairs and exchange of trade delegations etc. India has also been participating in South Asian Association for Regional Cooperation (SAARC) Trade Fairs regularly.

India has signed a Credit Agreement with the Government of Sri Lanka on January 9, 2001 giving Sri Lankan Government a credit facility of US \$ 100 million to be disbursed in three years for importing from India goods of Indian manufacture and services which include consumer durables, consultancy services and food items etc.